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DDI-961-75

April 7, 1975

## MEMORANDUM FOR THE RECORD

SUBJECT: Discussion on the Director's 1975 Appearance  
Before the Joint Economic Committee

On Friday 4 April [ ] OSR, [ ] OER,  
and I met with Richard Kaufman of the JEC Staff for two hours.  
[ ] OLC, attended the first hour. The purpose of  
this meeting was to establish guidelines on what the Committee  
would like to hear when the Director testifies later this  
Spring.

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Mr. Kaufman, who had no clear idea of what he wanted,  
agreed when we proposed following the general format used  
last year--allocation of resources in the USSR and China.  
Mr. Kaufman suggested several changes in nuance however.  
From the way the discussion developed, I would suspect these  
reflect more his personal interests than those of Senator  
Proxmire.

Kaufman asked that we compare the Chinese and Soviet  
economic systems as well as the differences in how they spend  
their money. He also asked for a comparison of economic  
planning in the two countries and some discussion of the dis-  
tribution of income.

Mr. Burton suggested, and Kaufman readily agreed, that  
it might be useful in the military portion of the briefing  
to give some attention to how detente reflects on military  
spending. Kaufman also asked for some discussion on the  
Sino-Soviet border situation.

Kaufman, who holds no special clearances, is intrigued  
with military budgets and the weapons they buy. He commented  
that he cannot understand why we do not make our statistics  
on deployment of Soviet weapons public. We have plowed this

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STAT ground with Mr. Kaufman before. We repeated at Friday's session that it would not be advisable for the Director of Central Intelligence to make such statistics public via the Congressional Record for a variety of reasons, not the least of which involved our sources and such things as SALT negotiations. [redacted] explained in some detail our methodology for determining Soviet defense spending and our willingness to go public in a general sense, as we had last year for the JEC and more recently with the unclassified memorandum comparing US and Soviet defense expenditures. We also remarked that the Director probably would be willing to become specific in executive session. All in all, we spent a good deal of time pulling Mr. Kaufman back from military aspects of the economy and refocusing him on the economy as a whole. Clearly we will want to devote ourselves to a fairly comprehensive discussion of military resource allocation, however.

Mr. Kaufman said he would discuss the proposed guidelines with other members of the Staff and with Senator Proxmire, letting us know if there are any new proposals. We told him this would be fine, but that we would begin work along the lines of our discussion as preparation of these briefings took quite some time.

The closest we could get to a date for the DCI's appearance before the Committee is still "late May." We asked to be informed as soon as a date was established in order to permit the Director to arrange his schedule.

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